

## § 25.2512-0

## 26 CFR Ch. I (4-1-01 Edition)

a debt obligation, including a bank deposit, the primary obligor of which is a United States person (as defined in section 7701(a)(30)), the United States, a State, or any political subdivision thereof, the District of Columbia, or any agency or instrumentality of any such government constitutes property situated within the United States. This subdivision applies—

(a) In the case of a debt obligation of a domestic corporation, whether or not any interest on the obligation would be treated under section 862(a)(1) as income from sources without the United States by reason of section 861(a)(1)(B) (relating to interest received from a domestic corporation less than 20 percent of whose gross income for a 3-year period was derived from sources within the United States) and the regulations thereunder;

(b) In the case of an amount described in section 861(c) (relating to certain bank deposits, withdrawable accounts, and amounts held by an insurance company under an agreement to pay interest), whether or not any interest thereon would be treated under section 862(a)(1) as income from sources without the United States by reason of section 861(a)(1)(A) (relating to interest on amounts described in section 861(c) which is not effectively connected with the conduct of a trade or business within the United States) and the regulations thereunder;

(c) In the case of a deposit with a domestic corporation or domestic partnership, whether or not the deposit is with a foreign branch thereof engaged in the commercial banking business; and

(d) Irrespective of where the written evidence of the debt obligation is physically located at the time of the transfer.

For purposes of this subdivision, a debt obligation on which there are two or more primary obligors shall be apportioned among such obligors, taking into account to the extent appropriate under all the facts and circumstances any choate or inchoate rights of contribution existing among such obligors with respect to the indebtedness. The term “agency or instrumentality”, as used in this subdivision, does not include a possession of the United States

or an agency or instrumentality of a possession.

(ii) In the case of gifts made on or after January 1, 1967, a debt obligation, including a bank deposit, not deemed under subdivision (i) of this subparagraph to be situated within the United States, constitutes property situated outside the United States.

(iii) In the case of gifts made before January 1, 1967, a debt obligation the written evidence of which is treated as being the property itself constitutes property situated within the United States if the written evidence of the obligation is physically located in the United States at the time of the transfer, irrespective of who is the primary obligor on the debt. If the written evidence of the obligation is physically located outside the United States, the debt obligation constitutes property situated outside the United States.

(iv) Currency is not a debt obligation for purposes of this subparagraph.

[T.D. 7296, 38 FR 34202, Dec. 12, 1973]

### § 25.2512-0 Table of contents.

This section lists the section headings that appear in the regulations under section 2512.

§ 25.2512-1 *Valuation of property; in general.*

§ 25.2512-2 *Stocks and bonds.*

§ 25.2512-3 *Valuation of interest in businesses.*

§ 25.2512-4 *Valuation of notes.*

§ 25.2512-5 *Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests.*

§ 25.2512-6 *Valuation of certain life insurance and annuity contracts; valuation of shares in an open-end investment company.*

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§ 25.2512-8 *Transfers for insufficient consideration.*

ACTUARIAL TABLES APPLICABLE BEFORE MAY 1, 1999

§ 25.2512-5A *Valuation of annuities, unitrust interests, interests for life or term of years, and remainder or reversionary interests transferred before May 1, 1999.*

[T.D. 8819, 64 FR 23223, Apr. 30, 1999, as amended by T.D. 8886, 65 FR 36940, June 12, 2000]

### § 25.2512-1 Valuation of property; in general.

Section 2512 provides that if a gift is made in property, its value at the date of the gift shall be considered the